

### 7.3 PUBLIC SAFETY BOND

#### Discussion of Public Safety Bond Measure

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**Executive Summary:** City staff has identified more than \$50 million in public safety capital needs for which there is currently no source of funding. In February 2002, the City Manager engaged a professional polling firm to determine whether Fremont's voters would be willing to support a revenue measure pay for these projects. The poll results, which were presented to Council on May 14, show that: 1) it is feasible to ask voters to approve a bond to renovate or replace local fire stations and create a public safety training center; and 2) the tax rate should be at or below a cost of \$10 per \$100,000 of assessed value. This report presents cost information on the various projects, the poll results, and an update on the public information process. Staff recommends Council approve a specific list of projects to be included in a bond measure and authorize staff to return in July with ballot language that would place a public safety facilities general obligation bond measure on the November 2002 ballot.

**BACKGROUND:** The City has more than \$50 million in unfunded public safety capital projects. The projects include replacing three old, inadequate fire stations; making earthquake and safety improvements at the remaining seven fire stations, constructing a public safety training center, expanding and making earthquake and safety improvements to the Police Building, and constructing an emergency operations center. Last year, the City Council adopted the 2001-2006 Capital Improvement Plan/Integrated Capital Assets Plan (CIP/ICAP) to guide spending on capital projects and maintenance of infrastructure over the next five years. The CIP/ICAP programs over \$400 million for capital projects and asset maintenance over the five-year period. Approximately 90% of the funding comes from restricted sources that limit how the money can be spent. At the time the CIP/ICAP was adopted in June 2001, staff identified an additional \$350-plus million of unfunded high priority capital projects, including the public safety facilities projects. Because the City's General Fund is unable to pay for these projects, and no other funding source has been found for them, Council directed staff at the November 20, 2001, First Quarter Budget Update to explore options for a public safety revenue ballot measure.

Since November, staff has taken several steps to comply with Council's direction. A project team comprised of staff from Engineering, the Police and Fire Departments, and the City Manager's Office, developed a list of potential projects and their estimated costs. Since not all projects can begin the first year after revenue is collected, staff developed a multiple-year, phasing schedule that includes sufficient contingencies in the cost estimates to cover this phasing. In addition, the City Manager engaged the Center for Community Opinion to conduct a poll of Fremont's residents. The telephone poll of 600 registered Fremont voters was conducted April 8-13, and the results were presented to the Council on

May 14. Staff has shared these results with the various citizen, business, and employee groups. Finally, staff has met with various citizen, business, and employee groups in Fremont to provide information about the City's public safety facilities needs, receive input, and answer questions. These meetings are ongoing.

**Project Costs:** Staff developed cost estimates for the various public safety facilities projects and is continuing to refine those estimates. The following table lists the projects and their estimated costs.

<b>Recommended Projects (\$ thousands)</b>		
<b>Project Name and Description</b>	<b>Estimated Project Cost</b>	<b>Running Total</b>
<b>Replace Station 2 (Niles):</b> This station, built in 1952, is Fremont's oldest fire station. At 3,700 square feet, the station is less than half the size of the City's newer, 6,500 square foot stations, and its garage doors are too low for new fire trucks and engines. The station was built as a volunteer station, with no plans to house 24-hour crews.	\$7,800	\$7,800
<b>Replace Station 6 (Centerville):</b> This station, built in 1954, is a 4,600 square foot, two-story station. It is located on busy Fremont Boulevard in the heart of Centerville, and traffic congestion in the area can slow response times. In addition, the station's garage doors are too low for new fire trucks and engines. Like the Niles Station, this station was built as a volunteer station, with no plans to house 24-hour crews.	\$6,320	\$14,120
<b>Replace Station 8 (North Fremont):</b> This 1,800 square foot station is the City's smallest fire station. Located in a house on Darwin Drive, the station has been a temporary fire station since 1972. The station's garage doors are too low for new fire trucks and engines, and the garage is too small to hold more than one fire engine.	\$6,640	\$20,760
<b>Make earthquake and safety improvements to Stations 1 (Central), 3 (Irvington), 4 (Mission San Jose), 5 (Warm Springs), 7 (Grimmer), 9 (Stevenson), and 10 (Ardenwood):</b> After an earthquake, every fire station in the city needs to be able to serve as a critical neighborhood disaster response center. Making earthquake and safety improvements to these buildings will keep them operating before, during, and after a major earthquake, with minimum to no damage. Renovation measures for these stations include adding fire sprinklers, fire alarm systems, and 72-hour emergency generators to ensure that they can function after an earthquake or other emergency; replacing the 30-50 year old heating and air conditioning systems; providing separate male/female quarters; and remodeling old kitchens and bathrooms.	\$14,740	\$35,500

<b>Build a Public Safety Training Center:</b> The joint training center includes a fire tower, an indoor firing range, classroom space, and storage for emergency equipment and supplies. The City's current fire tower, located at Station 7 (Grimmer), was built in the 1970s. Its asbestos walls were removed in 1980 and never replaced, thereby limiting the tower's usefulness for training on live fires and confined space rescue. The City's current firing range is located on Alameda County Water District property in Coyote Hills, and the Water District is reclaiming this property. Police officers are required to train on their firearms six times a year and will have no place to do this once the firing range closes.	\$11,590	\$47,090
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<b>Projects Not Recommended (\$ thousands)</b>		
<b>Project Name and Description</b>	<b>Estimated Project Cost</b>	<b>Running Total</b>
<b>Expand and retrofit the Police Building:</b> As originally conceived, the Police Building was a 108,000 square foot building. It was then designed as an 80,000 square foot building, but because of budget constraints, the building was pared down to its current 67,000 square foot size. The building is completely full, and specialized task forces are housed in rented, off-site space. This project would expand the building to 80,000 square feet. The building was state of the art when designed, but new seismic safety standards necessitate retrofitting the building by upgrading its steel welds.	\$8160	\$55,250
<b>Build an Emergency Operations Center:</b> During an emergency, the City uses a conference room in the Administrative Center as its Emergency Operations Center. Without a central, dedicated space for emergency operations, the City has no space for the supplies (water, food, blankets), maps, and equipment a real EOC would house.	\$2,000	\$57,250

**Poll Results:** On May 14, Dr. Brad Senden with the Center for Community Opinion presented the results of the poll he conducted on the feasibility of placing a public safety facilities revenue measure on the November 2002 ballot. Dr. Senden concluded that:

1. It is feasible to ask voters to approve a bond to renovate or replace local fire stations and create a public safety training center.
2. The tax rate should be at or below a cost of \$10 per \$100,000 of assessed value. (A tax rate of this amount would raise approximately \$52 million over 25 years.)

The poll showed that Fremont's voters were apparently willing to support retrofitting and renovating fire stations, with responses ranging from 68% to 76.5% favorable. Voters were also willing to replace the fire stations in Nile, Centerville, and North Fremont, with support ranging from 60.4% to 67.1%. The joint public safety training facility received support in the 60-65.9% range, while the expansion and retrofit of the Police Building polled well under 50%. (The emergency operations center was not called out as a separate project but was tied to the Police Building, which did not poll well.)

The poll results also showed that information increases support for the project. When voters were presented with a basic statement about the ballot measure and what projects it might fund, 55.6% supported the idea, 24.2% opposed the proposal, and 19.9% were undecided. Providing information about the need for the different projects increased support. 63.9% of voters supported the measure after learning the reasons for the bond, while 25.2% opposed the proposal and only 10.9% were undecided. According to Dr. Senden, this level of support is encouraging and indicates that Fremont's voters will likely support the bond measure as long as they are given good information about the need for the bond. It will be important for the Council to assess the likelihood of a strong campaign for the bond measure, since an effective campaign will be critical to the success of the bond measure, according to the polling firm.

**Public Information Process:** For the past several months, staff has been meeting with various citizen, business, and employee groups to share information about the City's public safety facilities needs, receive input, and answer any questions. For instance, staff has met with the League of Women Voters, Waste Watchers, the Fremont Chamber of Commerce, the Mission San Jose Chamber of Commerce, and representatives for the Police and Fire unions. Staff is in the process of scheduling additional meetings and/or providing the poll results and other information on project costs to the Centerville and Irvington Business Associations, Citizens for a Better Community, CERT coordinators, the Niles Main Street and Niles Merchants Associations, commercial property owners, and other community groups.

**Conclusion:** When Council authorized staff to begin exploring a public safety facilities revenue measure, the goal was to place a measure on the ballot that had a good chance of success, whether or not it would fund all of the City's public safety needs. A general obligation bond with a tax rate of \$10 (the maximum tax voters are willing to support) per \$100,000 of assessed value would raise approximately \$52 million. Based on the results of the poll, staff recommends paring the list down to include just the fire station projects and the joint training center, for a total estimated cost of \$47,090,000.

**ENCLOSURE:** None.

**RECOMMENDATION:** Direct staff to return to Council on July 2 with the necessary ballot language to place a general obligation bond on the November 2002 ballot that would fund the replacement of the Niles, Centerville, and North Fremont stations, the earthquake and safety improvements to the remaining seven fire stations, and the construction of a joint training center.

